15th June 2016

Tourism Activity

April 2016

Slowdown in overnight stays and revenue

Hotel establishments recorded 1.6 million guests and 4.1 million overnight stays in April 2016, the equivalent to year-on-year increases[1] of 7.7% and 6.2%. These results stood quite below those of March (+19.4% and +21.1%) partly as a consequence of the celebration of Easter having occurred in April 2015. Both the internal and the external markets recorded more moderated growths (+6.8% and +5.9%) in relation to those recorded in March (+18.1% and +22.4%).

The average stay declined (-1.4%; 2.63 nights) and the net bed occupancy rate increased slightly (+1.7 p.p.; 44.9%).

Revenue also grew less (+11.8% in total revenue and +11.9% in revenue from accommodation) compared with +23.3% and +26.8% in March.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Apr-16	Year-on-year change rate (%)	Jan to Apr 16	Tvh (%)
Guests	10^3	1 565.6	7.7	4 787.0	12.6
Overnight stays	10^3	4 118.8	6.2	12 488.2	12.8
Residents in Portugal	10^3	1 081.2	6.8	3 637.9	11.4
Residents abroad	10^3	3 037.6	5.9	8 850.3	13.4
Average stay	no. of nights	2.63	-1.4	2.61	0.2
Net bed occupancy rate	%	44.9	1.7 p.p.	36.6	3.1 p.p.
Total revenue	EUR 10^6	205.6	11.8	601.1	17.1
Revenue from accommodation	EUR 10^6	145.3	11.9	418.5	18.3
RevPAR (Average revenue per available room)	EUR	35.4	9.5	27.2	15.0

Guests and overnight stays with lower growth

In April 2016, tourism accommodation establishments hosted 1.6 million guests and 4.1 million overnight stays (+7.7% and +6.2% respectively). This outcome stood for a steep slow down compared with the preceding month (+19.4% and +21.1%) and is related to a base effect resulting from the mismatch of the Easter celebration calendar (which in 2015 took place in April). Still, in the period January to April the number of guests increased by 12.6% and overnight stays grew by 12.8%.

[1] Unless stated otherwise, the change rates presented in this press release correspond to year-on-year change rates.

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Hotels (68.0% of total overnight stays) recorded a 6.0% growth, for which increases in all categories contributed. Tourist apartments (8.3% of overnight stays) and apartment hotels (14.0%) showed considerable increases (+15.0% and +7.2%) with the latter having the sole contribution of up to four star units.

Table 2. Overnight stays by type and category of the establishment

Unit: 10^3

Type of establishment and category	Overnight stays		Year-on-year change rate
	Apr-15	Apr-16	%
Total	**3 880.0**	**4 118.8**	**6.2**
Hotels	**2 642.1**	**2 799.4**	**6.0**
*****	523.0	523.7	0.1
****	1 280.9	1 383.6	8.0
***	586.8	618.6	5.4
** / *	251.5	273.6	8.8
Apartment hotels	**539.3**	**578.2**	**7.2**
*****	38.3	33.3	-12.9
****	380.3	409.9	7.8
*** / **	120.8	135.0	11.7
Pousadas	**39.2**	**41.2**	**4.9**
Tourist apartments	**298.9**	**343.8**	**15.0**
Tourist villages	**152.0**	**160.9**	**5.8**
Other tourist establishments	**208.5**	**195.4**	**-6.3**

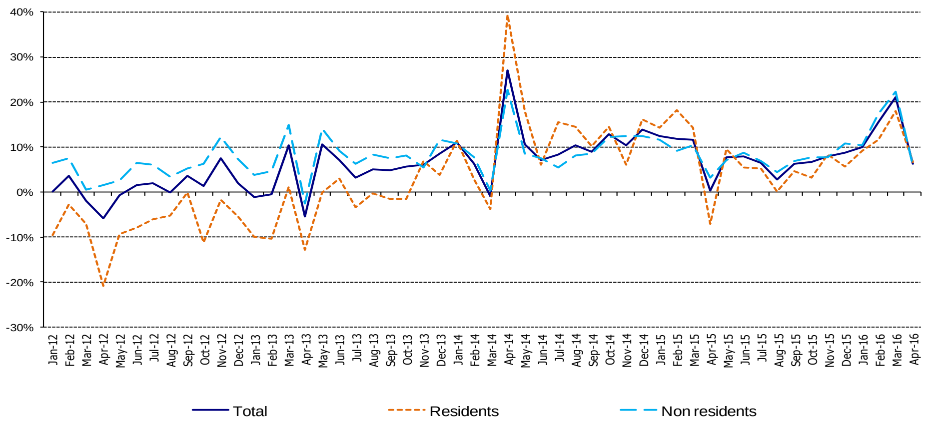
Overnight stays from the internal market slowing down

Overnight stays from residents (1.1 million) increased by 6.8%, less than the growth recorded in the latest months (+18.1% in March and +11.6% in February). The internal market represented 26.3% of total overnight stays (26.1% in April 2015).

The external markets were responsible for 3.0 million overnight stays (+5.9%), quite below the results of March (+22.4%) and those from all the previous months, under the Easter calendar base effect (celebrated in April 2015 and in March 2016). Indeed, this calendar effect was particularly relevant in the case of the Spanish market, which declined by almost 25% after the strong growth of 82.9% in the previous month.

In the first four months of 2016, overnight stays from residents increased by 11.4% and those from non residents grew by 13.4%.

Figure 1. Overnight stays - Month-on-month change rates



Significant increases from the United Kingdom, France and the Netherlands

The thirteen main inbound markets[2] represented 84.8% of overnight stays from non residents, a slightly lower share compared to the one of the same period of the previous year (85.0%).

Overnight stays from guests residing in the United Kingdom presented an increase of 16.6% and a relative weight of 23.3% (21.2% in the same month of 2015). This outcome came close to the one of February (+16.4%) and it is slightly below the average of the first four months of the year (+18.2%).

The German market grew only by 1.6%, clearly below the growth of the period January to April (+9.0%). Its share (14.9%) was reduced by 0.6 p.p.

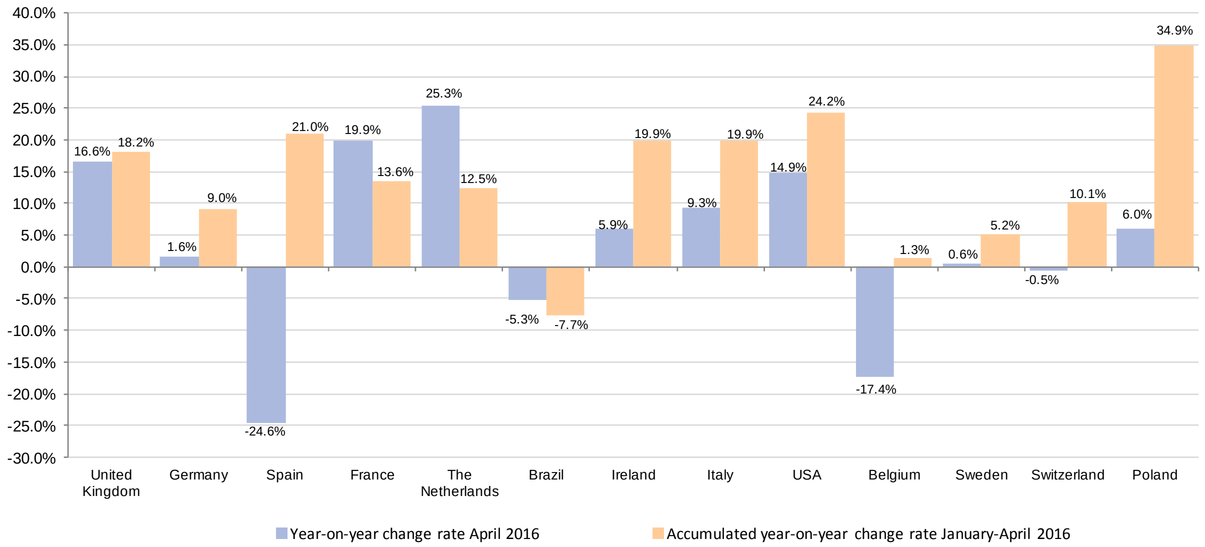
France (11.9% of the total) stood out by increasing 19.9% in overnight stays, a change rate clearly higher than the one of the first four months of the year (+13.6%).

As previously mentioned, the Spanish market (7.9% of the total) declined significantly (-24.6%) reflecting the Easter effect. However, from January to April the evolution of this market reached to +21.0%.

The Netherlands recorded a noteworthy increase (+25.3%), contrary to Belgium and Brazil (-17.4% and -5.3% respectively).

Poland had a 6.0% increase, largely surpassed by the result of January to April (+34.9%).

Figure 2. Overnight stays by main inbound markets: year-on-year and accumulated change rates



[2] Based on overnight stays in 2015

The regions of Azores and the North kept growing considerably

The Autonomous Region of the Azores and the North presented significant increases in total overnight stays (+17.6% and +11.3%), an outcome already seen in the latest months. The Algarve and the A. R. of Madeira presented change rates of +8.8% and +8.1% respectively.

The Lisbon Metropolitan Area recorded a slight decline in overnight stays (-0.8%), in contrast with the latest months (+15.2% in March and +10.5% in February) partly as a consequence of being the main destination of the Spanish tourism. This region was the second most sought after destination (25.9% of total overnight stays), only surpassed by the Algarve (31.9%).

Overnight stays from residents increased steeply in the Autonomous Regions (+20.3% in Madeira and +13.2% in the Azores), also pointing out that the outcome from Madeira might have benefited from the broader scope of the "Festa da Flor" event and from tourist promotion campaigns. In Mainland Portugal the emphasis went to the Alentejo (+12.4%) and to the North (+11.5%). In the Algarve there was a decline in overnight stays from residents (-4.8%). The main destinations (for residents in Portugal) were the regions of Lisbon (22.4%), North (22.3%), Centre (18.9%) and Algarve (18.8%).

Considering overnight stays from non residents, there was a quite considerable growth in the A. R. of the Azores (+21.9%), also worth referring the regions of Algarve (+11.7%) and the North (+11.1%). There were reductions in overnight stays from non residents in the Alentejo, Lisbon and in the Centre (-3.4%, -2.2% and -1.4%).

As usual, demand from non residents was focused in the Algarve (36.6% of the total), Lisbon (27.1%) and in the A. R. of Madeira (17.7%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10^3

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Apr-16		Jan to Apr 16		Apr-16		Jan to Apr 16		Apr-16		Jan to Apr 16	
	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Portugal	**4 118.8**	**6.2**	**12 488.2**	**12.8**	**1 081.2**	**6.8**	**3 637.9**	**11.4**	**3 037.6**	**5.9**	**8 850.3**	**13.4**
North	545.4	11.3	1 728.4	18.7	240.9	11.5	859.7	13.8	304.5	11.1	868.7	23.9
Centre	360.4	5.0	1 139.7	10.1	203.9	10.5	723.0	8.3	156.5	-1.4	416.8	13.5
M. A. Lisbon	1066.9	-0.8	3 416.5	6.0	242.6	4.0	873.7	5.7	824.3	-2.2	2 542.8	6.1
Alentejo	116.9	6.2	362.4	13.1	75.0	12.4	246.1	15.5	41.9	-3.4	116.4	8.5
Algarve	1314.4	8.8	3 445.9	17.7	203.1	-4.8	578.3	10.1	1 111.4	11.7	2 867.5	19.4
A. R. Azores	117.6	17.6	338.7	43.6	55.5	13.2	174.7	36.2	62.1	21.9	164.0	52.4
A. R. Madeira	597.3	8.1	2 056.6	9.8	60.3	20.3	182.4	22.2	536.9	6.9	1 874.2	8.7

Reduction in average stay

In April, the average stay declined by 1.4% to 2.63 nights.

In the period January to April this indicator changed slightly (+0.2%; 2.61 nights).

The A. R. of Madeira and the Algarve recorded the highest average stays (5.10 and 3.87 nights respectively). In terms of evolution, an overall decline was observed with the exception of the Alentejo (+0.3%).

Table 4. Average stay and net bed occupancy rate by region (NUTS II)

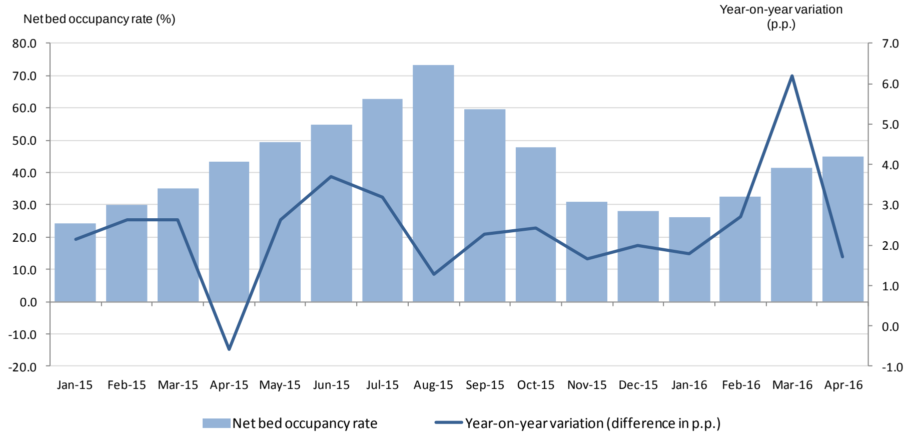
NUTS II	Average stay (No. of nights) Apr-15	Average stay (No. of nights) Apr-16	Year-on-year change rate (%)	Occupancy rate % Apr-15	Occupancy rate % Apr-16	Year-on-year variation (p.p.)
Portugal	**2.67**	**2.63**	**-1.4**	**43.2**	**44.9**	**1.7**
North	1.76	1.75	-0.6	39.0	42.2	3.2
Centre	1.68	1.62	-3.5	28.5	29.3	0.8
M. A. Lisbon	2.35	2.30	-2.1	57.4	56.7	-0.7
Alentejo	1.67	1.68	0.3	29.4	30.5	1.0
Algarve	3.94	3.87	-1.8	38.1	40.2	2.0
A. R. Azores	2.97	2.86	-3.9	37.5	43.5	6.0
A. R. Madeira	5.16	5.10	-1.2	66.2	70.9	4.7

Occupancy rate continues to increase

The net bed occupancy rate was 44.9% (+1.7 p.p.).

In the accumulated period from January to April, this indicator stood at 36.6% corresponding to an increase of 3.1 p.p.

Figure 3. Net bed occupancy rate

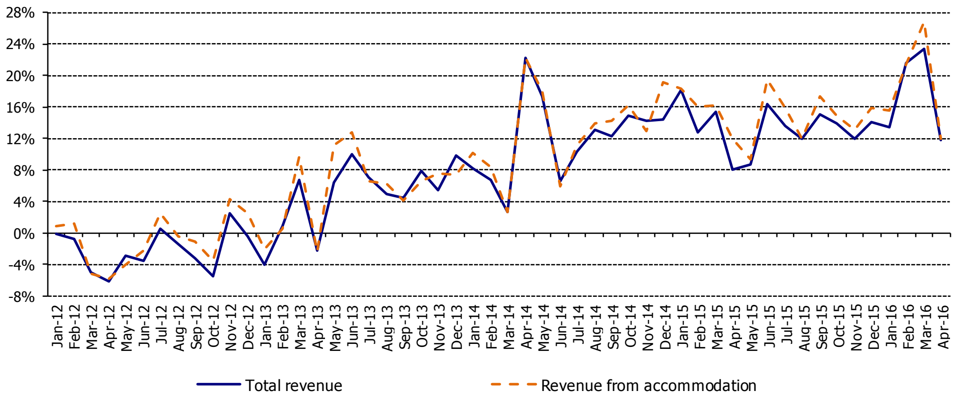


The Autonomous Region of Madeira recorded the highest occupancy rate (70.9%), followed by Lisbon (56.7%). The regions with the highest growth were the A. R. of the Azores (+6.0 p.p.) and the North (+3.2 p.p.).

Revenue grew more than overnight stays

Total revenue from hotel accommodation activity amounted to EUR 205.6 million (+11.8%) and revenue from accommodation was EUR 145.3 million (+11.9%). These results stood below the ones of March (+23.3% and +26.8%) but above the increases of April in guests and overnight stays. In the period January to April, total revenue and revenue from accommodation recorded change rates of +17.1% and +18.3% respectively.

Figure 4. Total revenue and total revenue from accommodation- Year-on-year change rate



All regions recorded increases in revenue, more so the A. R. of the Azores (+24.4% in total revenue and +24.2% in revenue from accommodation) and the North (+16.5% and +18.0%).

The evolution of revenue in April stood below the one of the preceding month in all regions, with the emphasis on the region that contributed the most for total revenue – the Lisbon Metropolitan Area, from +17.4% in march to +6.3% in April.

Table 5. Revenue by region (NUTS II)

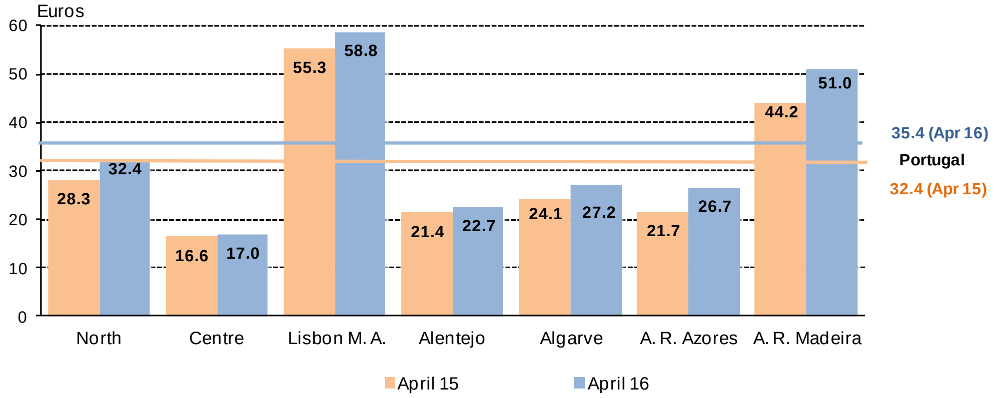
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Apr-16	Year-on-year change rate (%)	Apr-16	Year-on-year change rate (%)
Portugal	**205.6**	**11.8**	**145.3**	**11.9**
North	26.9	16.5	20.0	18.0
Centre	16.1	10.2	10.2	6.0
M. A. Lisbon	69.4	6.3	51.8	5.8
Alentejo	6.0	10.4	4.1	8.4
Algarve	51.0	14.5	35.0	16.8
A. R. Azores	4.8	24.4	3.4	24.2
A. R. Madeira	31.5	15.8	20.9	16.8

The average revenue per available room (RevPAR) amounted to EUR 35.4, corresponding to an increase of 9.5%.

As in the preceding month, Lisbon (EUR 58.8) and the A. R. of Madeira (EUR 51.0) recorded the highest values in this indicator. The Autonomous Regions presented the largest increases (+23.1% in the Azores and +15.5% in Madeira).

Figure 5. Average revenue per available room



The RevPAR of five star hotels reached to EUR 75.4, with the emphasis also in the "*pousadas*" (EUR 51.1) and in five star apartment hotels (EUR 48.6). The latter recorded the largest increase (+30.1%), followed by tourist apartments (+28.9%). Tourist villages were the only typology to record a decline in RevPAR (-6.4%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Apr-15	Apr-16	%
Total	**32.4**	**35.4**	**9.5**
Hotels	**37.7**	**40.6**	**7.5**
*****	68.0	75.4	10.9
****	37.6	40.5	7.8
***	25.0	26.1	4.5
** / *	21.2	22.6	7.0
Apartment hotels	**28.0**	**31.4**	**11.9**
*****	37.3	48.6	30.1
****	29.7	32.2	8.4
*** / **	20.7	24.7	19.5
Pousadas	**47.1**	**51.1**	**8.4**
Tourist apartments	**13.6**	**17.5**	**28.9**
Tourist villages	**21.4**	**20.0**	**-6.4**
Other tourist establishments	**20.8**	**23.8**	**14.6**

Camping sites and holiday camps

In April 2016, camping sites hosted 77.1 thousand campers who originated 240.6 thousand overnight stays (-4.1% and -2.9% respectively). These results contrast with the ones of the preceding month (+13.3% and +12.0%), also reflecting the base effect of Easter calendar. For the decline in overnight stays, only residents contributed (-8.4%, representing 54.6% of the total), given that overnight stays from external markets have risen by 4.5%. The average stay increased by 1.2% and stood at 3.12 nights.

Holiday camps and youth hostels also had declining results. Around 23.5 thousand guests (-15.1%) and 43.4 thousand overnight stays (-5.9%) were recorded, contrary to the preceding month (+27.7% and +23.6%). The decrease in overnight stays was the result of the contributions of both the internal market (-5.6%) and the external markets (-6.8%). The average stay was 1.85 nights (+10.8%).

Table 7. Camping, holiday camps and youth hostels by origin of the guests

Month: April 2016

	Unit	Camping sites						Holiday camps and youth hostels					
		Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)	Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)
Campers / Guests	10^3	77.1	-4.1	42.2	-12.0	34.9	7.4	23.5	-15.1	18.1	-14.3	5.3	-17.9
Overnight stays	10^3	240.6	-2.9	131.3	-8.4	109.3	4.5	43.4	-5.9	31.5	-5.6	11.8	-6.8
Average stay	no. nights	3.12	1.2	3.11	4.1	3.13	-2.7	1.85	10.8	1.74	10.1	2.22	13.4

EXPLANATORY NOTES

Data disseminated in this "Press Release" includes tourism accommodation establishments in operation, in each reference period, and refers to:

2016 – April: preliminary results; January to March: provisional results.

2015 – January to December: provisional results.

Note: Beginning in January 2016, preliminary data is revised in the month immediately after (then becoming provisional data), with final data still becoming available when the dissemination of annual data occurs.

In between preliminary, provisional and final data, results are revised due to definitive answers instead of provisional and mainly due to the replacement of non response estimates by effective responses. These effective responses include situations of suspended activity (seasonal, temporarily for other reasons or definitive) not duly reported, resulting on substitution of estimates by null result, a situation with higher occurrence during the low season.

The degree of revision, measured by the difference in percentage points from the year-on-year change rates of provisional versus preliminary data is as follows:

	Overnight stays	Revenue from accommodation
Jan to Mar 16	+0.4 p.p.	+0.5 p.p.

Guest – Individual that spends at least one overnight stay in a tourism accommodation activity establishment.

Overnight stay – Time spent by an individual between midday and midday of the following day.

Average stay – Relation between the number of overnight stays and the number of guests that originated those overnight stays during the reference period.

Net bed occupancy rate – corresponds to the relation between the number of overnight stays and the number of available beds, in the reference period, counting as two beds each double bed**.**

Total revenue – revenue from the activity of tourism accommodation establishments: room renting, food and beverage and others related to the activity itself (assignment of spaces, laundry, tobacco, communications, etc.).

Revenue from accommodation – revenue from overnight stays spent by guests in all tourist accommodation establishments.

RevPAR – Revenue per available room, measured by the relation between the revenue from accommodation and the number of available rooms, in the reference period.

Hotel accommodation activity – Includes hotels, apartment hotels, "*pousadas*", tourist apartments and tourist villages, as well as other accommodation establishments namely boarding houses, motels and inns that still maintain the former economic activity classification although currently not recognized as such.

Camp sites –A collective, fenced-off facility for tents, caravans, trailers and mobile homes.

Holiday camp – A holiday complex with appropriate facilities for providing free or low-cost holidays, usually as a social service by public or private entities.

Youth hostel – A non-profit establishment providing accommodation for young people or small groups of young people.

Year-on-year change rates – comparison between the variable level in the reference period and the same period of the year before. The calculation of year-on-year change rates for the main indicators is based on values in units, although in this press release they are visible only in thousands.

Year-on-year variation (p.p.) – comparison between the variable level in the reference period and the same period of the year before presented as a difference in percentage points.

Rounded figures may imply that totals might not correspond to the sum of the parcels.

In order to simplify the language, the term "foreigner" might be used instead of "non resident".

The "Lisbon Metropolitan Area" (Lisbon M. A.) is referred in the text as "Lisbon".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15 July 2016